

MINUTES

LEGISLATIVE GOVERNMENT OVERSIGHT COMMITTEE

September 19-20, 2005

The Legislative Government Oversight Committee met September 19, 2005, in Room 116 at the Capitol. Co-Chairperson, Representative Alons, called the meeting to order at 11:05 a.m. Other members present were:

Senator Tom Courtney, Co-chair
Senator Michael Connolly
Senator Mary Lundby
Senator Ron Wieck

Representative, Joe Hutter, VC
Representative Vicki Lensing, RM
Representative Clel Baudler
Representative George Eichhorn
Representative Scott Raecker
Representative Roger Thomas
Representative Wes Whitead
Representative Cindy Winckler

IOWA PRISON INDUSTRIES

After preliminary remarks by Mr. Gary Maynard, Iowa Department of Corrections, presenting statistics regarding the number of inmates involved in work activities at state correctional institutions, Mr. Roger Baysden, Iowa Prison Industries (IPI), provided an overview of the operation of IPI. Mr. Baysden stated that the organization's mission was to employ staff and inmates dedicated to providing exceptional service, reasonable prices, and quality products, with the objective of enhancing offender chances for successful re-entry into society. Mr. Baysden indicated that the IPI was entirely self-supporting, and summarized the work hours and activities of inmates involved in traditional, private sector, and farm related functions. The membership and role of the IPI Advisory Board was identified, and financial data for the various functions at specified correctional institutions presented. Mr. Baysden also characterized customer satisfaction surveys as favorable, and related state agency vs. non-state agency sales trends. Committee discussion included more detailed questions regarding the farm work activities, supervision of inmates, and allocation of stipends and wages earned.

PRESERVATION, STORAGE, AND RETRIEVAL OF STATE AGENCY DOCUMENTS

Representatives from several state agencies discussed the necessity for and efforts regarding document preservation, storage, and retrieval, with an emphasis on the prevention of document deterioration. Mr. John Baldwin, Department of Corrections, stated that a large number of paper documents dating back to the mid-1800's are currently being stored, and that funding is an issue regarding transferring them to a more modern and effectively maintained form. Mr. Anthony Carroll, Office of the Secretary of State, related that the Office's filings and forms have been stored on microfilm since 1993, financed through funding received and an increase in filing fees. Mr. David Boyd, Judicial Department, described the large volume of records generated and maintained by the courts system, indicated that they are moving toward digitalized storage, and discussed efforts to ensure document security through contracts with agencies to test the

ability to gain unauthorized access. Mr. Tom Newton, Iowa Department of Public Health, cited the necessity for departmental compliance with federal and state regulations regarding confidentiality and access, and indicated that the department is moving toward more automated storage. Mr. John Gillespie, Department of Administrative Services, and Mr. Gordon Hendrickson, State Archivist, Department of Cultural Affairs, addressed storage and public access of state records of historical significance, including the routine segregation and destruction of documents, archiving of records on an enterprise-wide basis, and the need to establish uniform policies to preserve records, including electronic mail communications. Mr. Hendrickson noted that the federal government is developing a multi-million dollar system for the storage and access of federal records, and expressed the hope that the same technology might eventually be available for use at the state level. Committee discussion included the extent to which storage costs might be redirected to document transfer, frequency of access requests over time, charges for document copies, and the relative value of permanently retaining vast numbers of historical records.

DUPLICATIVE PROGRAMS – UPDATE

Mr. Eugene Gessow, Medicaid Director of the Department of Human Services and Ms. Janet Zwick, Deputy Director of the Department of Public Health, provided an update of a 2003 report concerning areas of collaboration and potential collaboration between the departments, including the implementation of the Iowa Care Act (providing new smoking cessation benefits to Medicaid clients), the Medical Assistance Advisory Council (charged to make budget, policy, and administrative recommendations regarding medical assistance programs), and the Co-occurring Policy Academy (addressing issues relating to mental health and substance abuse). Committee discussion included issues relating to the regulation of child care providers, lead abatement programs, and smoking prevention and cessation. Discussion also included whether the legal use of tobacco products can be considered substance abuse, with Ms. Zwick requested to obtain information regarding funding for tobacco cessation and the rate of reduction in smoking.

DEPARTMENT OF NATURAL RESOURCES – BID PROCESS

Mr. Jon Tack, Legal Counsel, Legal Services Bureau of the Department of Natural Resources, explained the department's process of selecting an Inspection Program Coordinator as part of Permanently Moored Vessels (PMV) program to inspect casino "riverboats" once the United States Coast Guard (Coast Guard) relinquishes jurisdiction over the inspections of the vessels. According to Mr. Tack, the department consulted with the Racing and Gaming Commission, the Iowa Gaming Association, and the Coast Guard before issuing a request for proposals and selecting Marine Safety Experts, Inc. over two other bidders, including U.S. Inland Marine Surveying, Inc. a Muscatine based business which had submitted a proposal containing the lowest bid amount. Mr. Tack stated that in evaluating proposals the department's scoring criteria did not weigh the bid amount as highly as public safety issues. He noted that the cost of administering the program was supported by casino fees rather than general fund moneys. Mr. Wes Ehrecke, a lobbyist representing the Iowa Gaming Association, stated that he had served as the contact person for a task force which developed a PMV inspection manual on behalf of the department. Mr. Mike Baxter, representing U.S. Marine Surveying, Inc. maintained that in preparing the PMV inspection manual which was ultimately used as the basis for department rules and the request for proposals, the task force relied upon Mr. Clay Fust, whose company Marine Safety Experts, Inc. was ultimately awarded the contract. Mr. Baxter also noted that his proposal addressed safety issues including the inspection of the hulls of these vessels which

was unaddressed in the manual. Committee discussion included noting that the consideration and adoption of rules is an open process, and expressing reservations regarding the selection process, including the Iowa Gaming Association's role, the weighting of the scoring criteria, whether proper consideration of the statutory in-state business bidding preference requirements was given, and the influence in the process of the successful bidder. Committee members agreed to submit a request for an Attorney General's Opinion regarding these issues.

ADJOURNED

Representative Alons adjourned the meeting at 4:50 p.m.

September 20, 2005

Representative Alons called the meeting to order at 9:02 a.m.

GAMBLERS TREATMENT ASSISTANCE

Mr. Frank Biagioli, Iowa Department of Public Health, provided a status report on the addition of residential treatment services as an expanded service option for gambling treatment. Mr. Biagioli stated that transitional housing services contracts were awarded to three applicants, who are providing transitional housing services to seventeen individuals who are in an admitted status in a gambling treatment program funded by the department, have no other housing alternatives, or whose housing alternatives are not conducive to recovery. He also summarized other 2005 fiscal year gambling treatment program expansion efforts, and presented a fiscal year 2006 funding plan. Ms. Lisa Pierson, Central Iowa Gambling Treatment Program, accompanied by other service providers, noted that progress has been made regarding the previously identified issues of crises call access, financial counseling services, and lag time from submission of service provider billing to receipt of payment. She identified the need for greater program accountability, and expressed concern regarding the development of the 2006 fiscal year budget and lack of input by Gambling Treatment Advisory Committee Members. Committee discussion included why \$1.5 million in the fiscal year 2005 budget was not expended, whether the funding remains available for the 2006 fiscal year, and whether the funds are segregated, with a request for additional information from the department regarding a budget incorporating the unexpended funding. Members also noted the lack of transitional residential housing services in eastern Iowa, which presents a relatively high gambling capacity, and suggested that a more proactive effort than the request for proposals process be engaged in to publicize the availability of transitional housing services funding. It was determined that a subcommittee will be established to monitor this area.

ELECTRONIC AND MECHANICAL AMUSEMENT DEVICES/SOCIAL GAMING

Ms. Jean Davis, Department of Inspections and Appeals, addressed the committee regarding issues which have arisen in connection with an administrative rule requiring the submission of a number count on a semi-annual basis by amusement device licensees, and regarding the application of statutory requirements to Special Class C liquor licensees. Ms. Davis indicated that the rule represented a curtailment from the department's original intent to require additional and more numerous reports, and that the information submitted would be considered confidential. Mr. Bill Wohlers, Iowa Operators of Music and Amusement, maintained that self-policing by licensees has proven effective, that the information requested is personal and should only be submitted to the Department of Revenue, and that compliance on a semi-annual basis will be burdensome for licensees. Mr. Joe Diaz, Department of Public Safety, Division of

Criminal Investigation, expressed the desire for an ability to issue citations in addition to seizure of equipment where violations have been detected. Committee discussion included concerns regarding the number of such devices being installed in convenience stores and other businesses that do not have liquor licenses, questions regarding adequate oversight, and public perception regarding whether such devices constitute gambling. Regarding social gambling, Ms. Davis stated that Iowa law provides for the prohibition of all gambling unless expressly authorized by statute. She indicated that social gambling is governed by Chapter 99B, Code of Iowa, and provided an overview of the several specific exceptions to the general prohibition contained therein. Committee discussion included the application of the statute to increasingly popular forms of social gambling such as Texas Hold Em poker, with the general consensus that the provisions can appear ambiguous, confusing, and result in unintentional violation. Members requested that the Department of Inspections and Appeals provide recommendations for improvements in the statute, as well as the development of a public information pamphlet that would provide guidance regarding the statute's provisions.

OTHER BUSINESS

The Committee reviewed the list of topics for future meetings and selected topics for the next meeting scheduled for October 31 and November 1.

ADJOURNED

Representative Alons adjourned the meeting at 12:05 p.m.

NEXT MEETING

The next Committee meeting is scheduled for October 31 and November 1, 2005. Starting time on October 31 is 11:00 a.m. and the meeting location is Senate Room 22, State Capitol Building.

SUBCOMMITTEE MEETING ON HOUSE STUDY BILL 302

Representatives from the medical and legal communities presented testimony at the September 20, 2005 subcommittee meeting on House Study Bill 302 (An Act Creating a Starvation and Dehydration of Persons with Disabilities Prevention Act) chaired by Representative George Eichhorn and attended by Subcommittee member Representative Dwayne Alons. Presenters included: Ms. Lynn Boes, an attorney representing the Iowa Nurses Association; Dr. Roberta Wattleworth, representing the Iowa Osteopathic Medical Association; Mr. Bob Doph, an attorney representing the Iowa Right to Life Committee; Ms. Sally Reavely, an attorney representing the Iowa Bar Association; Dr. John Murphy and Dr. Richard Dobyns, representing the Iowa Academy of Family Physicians, and Dr. Norma Hirsch, representing the Iowa Medical Society. Mr. Kendall Watkins, Legislative Counsel, representing the Iowa Health Care Association and the Iowa Center for Assisted Living was also present but due to time constraints did not present to the Subcommittee.